



Environmental Services Division
Energy and Waste Management Bureau

For Immediate Release

April 18, 2005

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GASOLINE, DIESEL PRICES AND ETHANOL SALES SET RECORDS AGAIN

DES MOINES — Gasoline prices across Iowa continued their upward climb through mid-April, setting new records once again. Gasoline prices typically peak around Memorial Day, but we may have already seen this spring's top prices. On April 15, the average price for a gallon of self-serve, regular unleaded gasoline in Iowa was \$2.18. This was \$0.16 higher than last month and \$0.43 higher than this time last year (\$1.75 per gallon). Higher prices are driven by escalating crude oil prices, rising demand and trader fear over potentially tight gasoline supplies this summer.

The U.S. Department of Energy's Energy Information Administration (EIA) forecasts regular, unleaded gasoline will average around \$2.28 per gallon for the summer (April through September).

"Historically, Iowa gasoline prices have been slightly lower than U.S. average prices," said Jennifer Moehlmann, energy data analyst for the DNR. "However, Iowans can definitely count on continued volatility."

The average price for regular unleaded gasoline blended with ethanol was \$2.13 per gallon. The latest data shows that ethanol-blended gasoline represented 72 percent of all retail gasoline sold in February – yet another new monthly sales record. All auto manufacturers warrant the E-10 blend of 10 percent alcohol and 90 percent gasoline for use.

The average price of self-serve diesel fuel also set a record on April 15 at \$2.28, up \$0.11 from last month and \$0.58 higher than this time last year (\$1.70 per gallon). EIA forecasts U.S. diesel prices will cost an average \$2.24 per gallon through the summer (April through September).

Crude oil prices have stayed above \$50 per barrel. Crude set a new all-time record intra-day trading high on April 4 at \$58.28 per barrel, but has fallen steadily since then. Crude oil closed at \$50.50 on Friday, April 15. One year ago, crude was \$37.73 per barrel. Although prices have fallen in recent days on fears that high energy costs might eat into demand, they remain at relatively high levels due to sustained overall growth in global oil demand.

To help consumers improve fuel efficiency, the Iowa DNR has placed tips and information on fuel savings and alternative fuels on its Web site at www.iowadnr.com. Tips include driving more efficiently, keeping vehicles tuned up and planning and combining trips. Consumers can also choose ethanol at the pump, purchase E85 for flexible fuel vehicles and choose biodiesel blends for diesel vehicles.

The increase in crude oil prices also led heating oil prices to an out-of-season spike. The DNR's April 15 fuel price survey reported the average retail price of No. 2 heating oil was \$1.90 per gallon, \$0.11 higher than last

month and 45 percent above the price of heating oil at this time last year (\$1.31 per gallon). This was the highest heating oil price average ever recorded by the survey.

Higher crude oil and natural gas prices also prompted propane prices to rise. According to the survey, the average retail price of propane was \$1.26 per gallon, \$0.03 more than the previous month and 25 percent above the retail price of propane at this time last year (\$1.01 per gallon).

On April 15, natural gas was trading at \$7.01/MMBtu, \$0.25 higher than last month and 24 percent above the price of natural gas at this time last year (\$5.64/MMBtu).

Although warmer weather has arrived, consumers shouldn't forget about high heating prices. Next year's prices are likely to be higher than this year, so consumers should take advantage of the spring and summer to make improvements to their homes' efficiency in anticipation of those increased heating costs. Tips for saving energy and money at home and on the road are available at www.EnergySavingTips.gov.

MOTOR FUELS SURVEY STATE AVERAGES

Self-Serve	March 15	April 15	Change
Regular Unleaded	2.02	2.18	+0.16
Regular Unleaded with Ethanol	2.01	2.13	+0.12
Premium Unleaded	2.09	2.23	+0.14
Diesel	2.17	2.28	+0.11

Source: Oil Price Information Service, www.opisnet.com

AVERAGE SELF-SERVE UNLEADED PRICES IN MAJOR CITIES

	March 15	April 15	Change
Ames	2.03	2.17	+0.14
Cedar Rapids	1.99	2.23	+0.24
Council Bluffs	2.02	2.14	+0.12
Davenport	2.02	2.17	+0.15
Des Moines	2.01	2.15	+0.14
Dubuque	2.02	2.13	+0.11
Fort Dodge	2.06	2.20	+0.14
Iowa City	2.05	2.26	+0.21
Sioux City	2.05	2.18	+0.13
Waterloo	2.02	2.12	+0.10
Webster City	2.02	2.25	+0.23
Average Metro Price	2.03	2.18	+0.15

Source: Oil Price Information Service, www.opisnet.com

WHOLESALE PRICES IN METROPOLITAN AREAS IN IOWA

Unleaded Gasoline	March 10	April 7	Change
Des Moines	1.56	1.75	+0.19
Dubuque	1.57	1.75	+0.18
Diesel Fuel	March 10	April 7	Change
Des Moines	1.58	1.78	+0.20
Dubuque	1.59	1.78	+0.19

Source: Oil Price Information Service, www.opisnet.com

HEATING FUELS SURVEY

	March 14	April 15	Change
Natural Gas	6.76	7.01	+0.25
Propane	1.23	1.26	+0.03
#2 Heating Oil	1.79	1.90	+0.11

Sources: Wall Street Journal, Iowa Department of Natural Resources